

**State of Delaware
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services**

**Schedule of Available Funds, Disbursements,
and Ending Balances - All Funds**

**June 30, 2006
(With Independent Auditors' Report Thereon)**

Table of Contents

	Page
Independent Auditors' Report	3
Schedule of Available Funds, Disbursements, and Ending Balances - All Funds	5
Notes to Schedule of Available Funds, Disbursements, and Ending Balances - All Funds	6
Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	9
Schedule of Current Year Findings	11

Independent Auditors' Report

To the State of Delaware
Office of Auditor of Accounts and the
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services
Dover, Delaware

We have audited the accompanying schedule of available funds, disbursements, and ending balances - all funds of the State of Delaware, Department of Health and Social Services, Division of Public Health, Office of Emergency Medical Services (the Office) for the year ended June 30, 2006. This schedule is the responsibility of the Office's management. Our responsibility is to express an opinion on the schedule based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedule of available funds, disbursements, and ending balances - all funds is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall schedule's presentation. We believe that our audit provides a reasonable basis for our opinion.

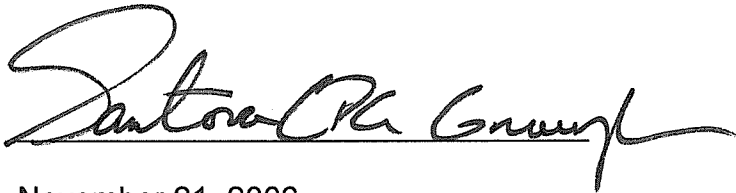
As described in Note A, the Office prepares the accompanying schedule on a prescribed basis of accounting that demonstrates compliance with the cash basis and budget laws of the State of Delaware, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the schedule referred to above presents fairly, in all material respects, the available funds, disbursements, and ending balances for all funds of the Office for the year ended June 30, 2006, on the basis of accounting described in Note A.

To the State of Delaware
Office of Auditor of Accounts and the
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services
Dover, Delaware

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2006 on our consideration of the Office's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of the audit.

This report is intended for the information and use of the Office of Emergency Medical Service's management, Office of the Governor, Office of Controller General, Office of Attorney General, Office of Management and Budget, Office of Auditor of Accounts, and the Secretary of Finance, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Santora C. R. Group", written over a horizontal line.

November 21, 2006
Newark, Delaware

State of Delaware
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services

Schedule of Available Funds, Disbursements, and Ending Balances - All Funds

For the Year Ended June 30, 2006

	Beginning Balances		Original Appropriations	Transfers To / (From)	Receipts	Total Funds Available	Disbursed	Reverted	Ending Balances	
	Encumbered	Unencumbered							Encumbered	Unencumbered
GENERAL FUND										
Personnel	\$ -	\$ -	\$ 787,300	\$ 175,000	\$ -	\$ 982,300	\$ 956,794	\$ 5,506	\$ -	\$ -
Travel	-	-	3,200	-	-	3,200	3,119	-	81	-
Contractual	192,057	-	662,300	-	-	854,357	681,980	49,960	122,417	-
Supplies	5,040	-	28,000	-	-	33,040	24,848	1,120	7,072	-
Capital	5,000	-	5,000	-	-	10,000	5,000	-	5,000	-
Miscellaneous	-	-	-	-	1,010	1,010	-	-	-	1,010
Paramedic services (grant-in-aid)	-	4,927,531	10,646,600	-	-	15,574,131	9,342,270	275,367	-	5,956,494
	202,097	4,927,531	12,132,400	175,000	1,010	17,438,038	11,014,011	331,953	134,570	5,957,504
SPECIAL FUND										
Federal grants and cooperative agreements	45,966	160,531	-	-	323,966	530,463	280,691	30,301	54,813	164,658
Tobacco settlement funds	24,063	10,073	-	(2,034)	371,495	403,597	329,205	-	64,325	10,067
Other	3,967	14,720	-	-	7,200	25,887	3,244	14,718	-	7,925
	73,996	185,324	-	(2,034)	702,661	959,947	613,140	45,019	119,138	182,650
Totals	\$ 276,093	\$ 5,112,855	\$ 12,132,400	\$ 172,966	\$ 703,671	\$ 18,397,985	\$ 11,627,151	\$ 376,972	\$ 253,708	\$ 6,140,154

See notes to schedule of available funds, disbursements, and ending balances - all funds.

**State of Delaware
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services**

**Notes to Schedule of Available Funds, Disbursements,
and Ending Balances - All Funds**

Note A - Significant Accounting Policies

The Office of Emergency Medical Services (the Office) is a State agency under the Division of Public Health within the Department of Health and Social Services and is part of the State of Delaware's primary government reporting entity. As such, the Office's financial activities are included in the State of Delaware's Comprehensive Annual Financial Report.

The duties and responsibilities of the Office are set forth in Title 16, Delaware Code, Chapter 98, and involve establishing, coordinating, and monitoring a Statewide Paramedic Funding Program and acting as the State's fiscal agent for distributing grant-in-aid funds to counties that operate approved paramedic programs.

Costs of operations of the Office are funded by appropriations from the State of Delaware General Funds. The Office provides grant-in-aid funds for paramedic services to New Castle, Kent, and Sussex Counties. The funds represent 40% of each County's total operational cost for paramedic services.

The Office budgets, controls, and records its financial activities in accordance with methods and procedures prescribed by statute, which is consistent with the cash basis of accounting. In compliance with State law, the Office records its financial transactions in either of two major categories - the General Fund or the Special Fund. Unexpended appropriations at year end are available for subsequent expenditures to the extent that they have been encumbered at that date or legislatively extended for another year.

Note B - Grant-In-Aid Funds Disbursed by County

New Castle County	\$4,458,212
Kent County	1,178,549
Sussex County	<u>3,705,509</u>
Total	<u>\$9,342,270</u>

**State of Delaware
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services**

**Notes to Schedule of Available Funds, Disbursements,
and Ending Balances - All Funds (Continued)**

Note C - Federal Grants and Cooperative Agreements

The Office receives federal assistance pursuant to various grants and cooperative agreements as described below:

Emergency Medical Services for Children Grant

A U.S. Department of Health and Human Services grant to support demonstration projects for the expansion and improvement of emergency medical services for children who need treatment for trauma or critical care.

Core State Injury Surveillance and Program Development Grant

A U.S. Department of Health and Human Services grant to develop and evaluate new methods or to evaluate existing methods and techniques used in injury surveillance by public health agencies; and to develop, expand, or improve injury control programs to reduce morbidity, mortality, severity, disability, and cost from injuries.

Crash Outcome Data Evaluation System (CODES) Cooperative Agreement

Cooperative agreement with the National Highway Traffic Safety Administration (NHTSA) to develop and implement the capability of linking State crash and medical outcome data in order to identify the medical and financial consequences of motor vehicle crashes.

Rural Access to Emergency Devices Grant

A Health Resources and Services Administration funding program to help community partnerships within states to purchase and obtain training on use of Access to Emergency Devices (AEDs). A limited amount of funds may also be used for medical dispatcher training addressing the use of AEDs for the layperson until EMS arrives, maintenance costs, and data reporting costs.

**State of Delaware
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**Notes to Schedule of Available Funds, Disbursements,
and Ending Balances - All Funds (Continued)**

Note C - Federal Grants and Cooperative Agreements (Continued)

Improving EMS/Trauma Care in Rural Areas

A Health Resources and Services Administration grant to public and private nonprofit entities for the purpose of carrying out research and demonstration projects with respect to improving the availability and quality of emergency medical services in rural areas.

Note D - Tobacco Settlement Funds

The State of Delaware received funds as a result of the settlement of a multi-state lawsuit with the tobacco industry. A portion of these funds was allocated for use by the Office for the purpose of providing public access to defibrillators.

Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

To the State of Delaware
Office of Auditor of Accounts and the
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services
Dover, Delaware

We have audited the schedule of available funds, disbursements, and ending balances - all funds of the State of Delaware, Department of Health and Social Services, Division of Public Health, Office of Emergency Medical Services for the year ended June 30, 2006, and have issued our report thereon dated November 21, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

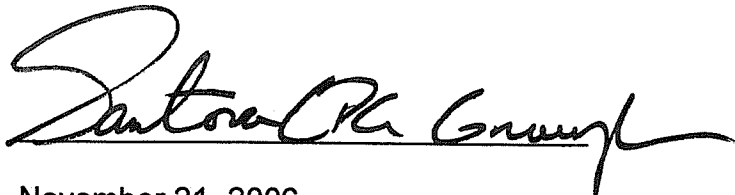
In planning and performing our audit, we considered the Office's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the schedule of available funds, disbursements, and ending balances - all funds and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the schedule being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

To the State of Delaware
Office of Auditor of Accounts and the
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services
Dover, Delaware

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's schedule of available funds, disbursements, and ending balances - all funds is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of available funds, disbursements, and ending balances. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the Office of Emergency Medical Service's management, Office of the Governor, Office of Controller General, Office of Attorney General, Office of Management and Budget, Office of Auditor of Accounts, and the Secretary of Finance, and is not intended to be and should not be used by anyone other than these specified parties. However, under 29 Del. C., Section 10002(d), this report is a public record and its distribution is not limited.

A handwritten signature in black ink, appearing to read "Santora CPA Group", written over a horizontal line.

November 21, 2006
Newark, Delaware

**State of Delaware
Department of Health and Social Services
Division of Public Health
Office of Emergency Medical Services**

Schedule of Current Year Findings

June 30, 2006

There are no findings to be reported for the year ended June 30, 2006.